

Docket:	:	<u>A.12-12-024</u>
Exhibit Number	:	<u>DRA-07</u>
Commissioner	:	<u>Sandoval</u>
ALJ	:	<u>Kim</u>
Witness	:	<u>Dunham</u>



**DIVISION OF RATEPAYER ADVOCATES
CALIFORNIA PUBLIC UTILITIES COMMISSION**

**Report on the Results of Operations
for
Southwest Gas Corporation
General Rate Case
Test Year 2014**

Rate Base and Working Capital

San Francisco, California
June 3, 2013

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QUALIFICATIONS

1 **SOUTHERN CALIFORNIA DIVISION**
2 **RATE BASE AND WORKING CAPITAL**

3 **I. INTRODUCTION**

4 This Chapter presents the Division of Ratepayer Advocates' (DRA) analyses
5 and recommendations regarding the Southwest Gas Corporation (SWG) Southern
6 California Division's Rate Base and Working Capital for Test Year (TY) 2014.

7 Rate Base is the depreciated asset value of SWG's net investments used to
8 provide service to its customers. The major components of rate base are fixed
9 capital, adjustments, working cash, materials and supplies (M&S) and customer
10 advances.

11 Working Capital consists of inventories; materials and supplies; and an
12 allowance for working cash. Working Cash are funds provided by the utility to
13 conduct day-to-day business, including Lead/Lag studies that determine Federal and
14 State tax payments.

15 Materials and Supplies are consumables used in the day-to-day functioning of
16 the utility.

17 Customer Advances are cash deposits advanced to the utility for current and
18 future service, which are generally associated with facilities.

19 **II. SUMMARY OF RECOMMENDATIONS**

20 For SWG's Southern California Division in TY 2014, DRA recommends an
21 amount of \$166,745,000 for Rate Base; SWG proposes \$177,236,000.

Table 7-1
Southern California Division
Weighted Average Depreciation Rate Base For Test year 2014
(in thousands fo 2014 dollars)

<u>Description</u> <u>(a)</u>	<u>DRA</u> <u>Recommended</u> <u>(b)</u>	<u>SWG Proposed*</u> <u>(c)</u>	<u>Amount</u> <u>SWG>DRA</u> <u>(d=c-b)</u>	<u>Percentage</u> <u>SWG>DRA</u> <u>(e=d/b)</u>
<u>Plant</u>				
Gas Plant In Service	\$ 366,900	\$ 375,650	\$ 8,750	2.4%
System Allocable	\$ 19,231	\$ 19,231	\$ -	0.0%
Total Plant	\$ 386,131	\$ 394,881	\$ 8,750	2.3%
<u>Deductions</u>				
Deprec Reserve	\$ 187,596	\$ 187,596	\$ -	0.0%
Sys Alloc Depr Reserve	\$ 11,765	\$ 11,765	\$ -	0.0%
Customer Advances	\$ 2,746	\$ 1,193	\$ (1,553)	-56.5%
Deferred Taxes	\$ 29,900	\$ 29,900	\$ -	0.0%
Sys Alloc Def Taxes	\$ 1,929	\$ 1,929	\$ -	0.0%
Total Other Deductions	\$ 233,936	\$ 232,383	\$ (1,553)	-0.7%
<u>Working Capital</u>				
Materials & Supplies	\$ 855	\$ 1,043	\$ 188	22.0%
Working Cash	\$ 13,694	\$ 13,694	\$ -	0.0%
Total Working Capital	\$ 14,549	\$ 14,737	\$ 188	1.3%
<u>Wtd. Avg. Rate Base</u>	\$ 166,745	\$ 177,236	\$ 10,491	

* Southern California Division Results of Operations, Volume II-A, Chapter 17, Sheets 21 and 23.

For the Southern California Division's TY 2014 Working Capital Cash, DRA recommends for Federal Taxes Lead/Lag an amount of 82.65 lag days and 37.58 lag days for California Corp. Franchise Tax; respectively, SWG proposes 37.75 lag days and 21 lag days.

For the same Division's Materials and Supplies in TY 2014, DRA recommends an amount of \$855,000; SWG proposes \$1,043,000.

1 For the same Division's Customer Advances in TY 2014, DRA recommends
2 an amount of \$2,746,000; SWG proposes \$1,193,000.

3 **III. DISCUSSION / ANALYSIS**

4 This section analyzes SWG's Southern California Division's Rate Base,
5 Working Capital, Working Cash, Lead-Lag Studies, Materials and Supplies and
6 Customer Advances.

7 DRA's Rate Base Table 7-1 above shows DRA's recommended changes to
8 Working Capital, Working Cash, Materials and Supplies, Customer Advances, and
9 Depreciation and Expense Reserve. Each subject will be covered in the following
10 sections. Additional DRA recommendations shown in Table 7-1 are based on DRA's
11 Results of Operations (RO) model. DRA recommends a Rate Base in the amount of
12 \$166,745,000; SWG's proposes \$177,236,000.

13 For Working Cash Lead-Lag studies, Southwest Gas proposed a Federal
14 Income Tax (FIT) of 37.75 lag days and California Corporate Franchise Tax (CCFT)
15 of 21 lag days.¹ However, in response to DRA data request DRA-SWG-10-GSD,
16 Q.1, SWG provided a summary of the income tax lag day calculation from 2007 to
17 2012. SWG's income tax lag day calculation summary showed that the lag
18 calculation from 2007 to 2012 equaled 82.65 FIT lag days and 37.58 CCFT lag
19 days.² DRA finds SWG's lag day calculation accurate and reasonable. DRA
20 recommends 82.65 FIT lag days and 37.58 CCFT lag days, as more historically
21 accurate and more reasonable than SWG's proposed tax lag days. Table 7-2 below
22 shows DRA's recommendation and SWG's working cash lead-lag proposals.

¹ SWG Application, Vol. 2-A, Ch. 17, at 26: ll. 11 (CCFT) and 12 (FIT).

² See SWG response to DRA data request DRA-SWG-10-GSD, Q.1, at 15: ll. 7 and 14
(SWG provided actual tax Lead/Lag payments from 2007 to 2012).

Table 7-2
Southern California District
Working Cash Lead-Lag Studies

Description	DRA Recommended	SWG Proposed
Federal Taxes	82.65	37.75
State Taxes	37.58	21

For Materials and Supplies (M&S) in TY 2014, DRA recommends an amount of \$855,000; SWG proposes \$1,043,000.³ SWG's forecast is based on a five-year average of past recorded M&S data.⁴ DRA recommends using a three-year average of past M&S data, which is more current, accurate, and reasonable than SWG's forecast. This is because the most recent historical data shows a decrease in the M&S as set forth in Table 7-3 below. The 3-year average is comparable to the recorded 2011 amount.

Table 7-3
Southern California District
Material and Supplies
(in thousands of 2014 Dollars)

2007	2008	2009	2010	2011
1,267	1,384	1,049	674	843

Source: SWG Application, Vol. 2-A, Ch. 17, Sheet 27.

DRA's M&S recommendation and SWG's proposal are shown in Table 7-4 below.

³ SWG Appl., Vol. 2-A, Ch. 17, at 27:16.

⁴ *Id.*

Table 7-4
Southern California District
Materials and Supplies
(in thousands of 2014 Dollars)

Description (a)	DRA Recommended (b)	SWG Proposed (c)	Amount SWG > DRA (d=c-b)	Percentage SWG>DRA (e=d/b)
Materials and Supplies	855	1,043	88	21.98%

For Customer Advances in TY 2014, SWG proposes an amount of \$1,193,000.⁵ SWG's Customer Advances forecast is based on no stated methodology and is supported by opinion as follows: "Projected Customer Advances reflects downward trend due to significant slowdown of customer additions."⁶ DRA recommends an amount of \$2,747,000 based on a three-year average of recorded Customer Advances data, because of an upward trend in Customer Advances. DRA's forecast is more current, accurate, and reasonable than SWG's forecast.

Table 7-5 below provides recorded data on Customer advances from 2007 to 2011.

Table 7-5
Southern California District
Customer Advances
(in thousands of 2014 Dollars)

2007	2008	2009	2010	2011
4,578	3,787	3,206	2,725	2,305

Source: SWG Application, Vol. 2-A, Ch. 17, Sheet 27.

⁵ SWG Appl., Vol. 2-A, Ch. 17, at 28:16.

⁶ *Id.* at 28 (bottom of page).

Table 7-6 below shows DRA's recommendation and SWG's request for Customer Advances.

Table 7-6
Southern California District
Customer Advances
(in thousands of 2014 Dollars)

Description (a)	DRA Recommended (b)	SWG Proposed (c)	Amount SWG > DRA (d=b-c)	Percentage SWG>DRA (e=d/b)
Customer Advances	2,747	1,193	1,553	56.55%

In this GRC, SWG provided a Depreciation Study of the Southern California Rate Division dated December 31, 2011. DRA reviewed this Study and finds it consistent with Standard Practice U-4 and is based on reasonable assumptions regarding average service lives, remaining lives, and net salvage. Therefore, DRA does not take issue with the TY 2014 depreciation rates proposed by SWG. The depreciation rates proposed in this GRC are lower than in SWG's prior rate case.

1 **NORTHERN CALIFORNIA DIVISION**
2 **RATE BASE AND WORKING CAPITAL**

3 **I. INTRODUCTION**

4 This Chapter presents the Division of Ratepayer Advocates' (DRA) analyses
5 and recommendations for the Southwest Gas Corporation (SWG) Northern
6 California Division's Rate Base and Working Capital, for TY 2014.

7 Rate Base is the depreciated asset value of SWG's net investments used to
8 provide service to its customers. The major components of Rate Base are fixed
9 capital, adjustments, working cash, materials and supplies and customer advances.

10 Working Capital consists of inventories of materials and supplies, and an
11 allowance for working cash.

12 Materials and Supplies are consumables used in the day-to-day functioning of
13 the utility.

14 Customer Advances are cash deposits advanced to the utility for current and
15 future services that are generally associated with facilities.

16 **II. SUMMARY OF RECOMMENDATIONS**

17 For the Northern California Division in TY 2014, DRA's recommends Rate
18 Base in the amount of \$73,684,000; SWG requests \$72,606,000. For the Northern
19 California Division's Working Capital in TY 2014, DRA's recommends an amount of
20 \$2,166,000; SWG requests \$2,192,000.

Table 7-7
Nothern California Division
Weighted Average Average Depreciation Rate Base for Test Year 2014
(in thousands of 2014 Dollars)

<u>Description</u> <u>(a)</u>	<u>DRA</u> <u>Recommended</u> <u>(b)</u>	<u>SWG</u> <u>Proposed***</u> <u>(c)</u>	<u>Amount</u> <u>SWG>DRA</u> <u>(d=c-b)</u>	<u>Percentage</u> <u>SWG>DRA</u> <u>(e=d/b)</u>
<u>Plant</u>				
Gas Plant In Service	\$ 131,404	\$ 129,863	\$ -	0.0%
System Allocable	\$ 3,552	\$ 3,552	\$ -	0.0%
<u>Total Plant</u>	\$ 134,956	\$ 133,415	\$ -	0.0%
			\$ -	
<u>Deductions</u>				
Deprec Reserve	\$ 42,511	\$ 42,511	\$ -	0.0%
Sys Alloc Depr Reserve	\$ 2,173	\$ 2,173	\$ -	0.0%
Customer Advances	\$ 674	\$ 237	\$ (437)	-64.9%
Deferred Taxes	\$ 17,724	\$ 17,724	\$ -	0.0%
Sys Alloc Def Taxes	\$ 356	\$ 356	\$ -	0.0%
<u>Total Other Deductions</u>	\$ 63,439	\$ 63,001	\$ (385)	-0.6%
			\$ -	
<u>Working Capital</u>				
Materials & Supplies	\$ 271	\$ 296	\$ 25	9.4%
Working Cash	\$ 1,895	\$ 1,895	\$ -	0.0%
<u>Total Working Capital</u>	\$ 2,166	\$ 2,192	\$ 25	1.2%
<u>Wtd. Avg. Rate Base</u>	\$ 73,684	\$ 72,606	\$ 410	

*** Southern California Division Results of Operations, Volume II-B, Chapter 17, Sheets 19, 21 and 23.

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DRA's estimated TY 2014 total Northern California Division Working Capital
Cash Federal Taxes Lead/Lag is 82.65 lag days and California Corp, Franchise Tax

1 is 37.58 lag days. SWG proposes a Federal Tax of 37.75 lag days and California
2 Corp. Franchise Tax (State Income Tax) of 21 lag days.

3 For the Northern California Division's Materials and Supplies in TY 2014,
4 DRA recommends an amount of \$271,000; SWG proposes \$296,000.

5 For the Northern California Division's Customer Advances in TY 2014, DRA
6 recommends an amount of \$674,000; SWG proposes \$237,000.

7 **III. DISCUSSION / ANALYSIS**

8 This section analyzes the Northern California Division's Rate Base, Working
9 Capital, Materials and Supplies and Customer Advances.

10 DRA's Rate Base Table 7-7 above shows DRA's recommended changes to
11 Working Capital, Working Cash, Materials and Supplies, Customer Advances, and
12 Depreciation and Expense Reserve. Each subject will be covered in the following
13 sections. Additional DRA recommendations shown in Table 7-7 are based on DRA's
14 Results of Operations model.

15 For the Northern California Division's Rate Base in TY 2014, DRA
16 recommends an amount of \$73,684,000; SWG proposes \$72,606,000.

17 For Working Cash Lead-Lag studies, Southwest Gas proposed a Federal
18 Income Tax (FIT) of 37.75 lag days and California Corporate Franchise Tax (CCFT)
19 of 21 lag days,⁷ DRA recommends 82.65 FIT lag days and 37.58 CCFT lag days,
20 which was discussed above on page 3. Table 7-8 below shows DRA's
21 recommendation and SWG's proposed lead-lag days.

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⁷ SWG Appl., Vol. 2-A, Ch. 17, at 26: ll. 11 (CCFT) and 12 (FIT).

Table 7-8
Northern California District
Working Cash Lead-Lag Studies

Description	DRA Recommended	SWG Proposed
Federal Taxes	82.65	37.75
State Taxes	37.58	21

For the Northern California District's Materials and Supplies (M&S) in TY 2014, DRA recommends \$271,000; SWG proposes \$296,000.⁸ SWG's forecast uses a five-year average of past recorded M&S data. DRA recommends using a three-year average of past M&S data, because of declining M&S costs in recent years. DRA's M&S forecast is more current, accurate, and reasonable than SWG's. Table 7-9 provides SWG recorded Materials and Supplies data for 2007-2011.

Table 7-9
Northern California District
Materials and Supplies
Five Years Data 2007-2011
(in thousands of 2014 Dollars)

2007	2008	2009	2010	2011
\$368	\$301	\$264	\$207	\$342

Source: SWG Application, Ch. 17, Sheet 27.

DRA's M&S recommendation and SWG's proposed is shown in Table DRA 7-10 below.

⁸ SWG Appl., Vol. 2-B, Ch. 17, at 27:18.

Table DRA 7-10
Northern California District
Materials and Supplies
(in thousands of 2014 Dollars)

Description (a)	DRA Recommended (b)	SWG Proposed (c)	Amount SWG > DRA (d=c-b)	Percentage SWG>DRA (e=d/b)
Materials & Supplies	271	296	25	9.37%

For Northern California's Customer Advances in TY 2014, DRA recommends an amount of \$674,000; SWG proposes \$237,000. While SWG claims its forecast is based on a five-year average of data,⁹ it fails to show the methodology and support for its forecast. DRA used a three-year average of SWG Customer Advances data, to arrive at its forecast. The DRA forecast reflects more current data and is a more reasonable estimate than SWG's.

Table 7-11 below provides SWG recorded Customer Advances data for 2007-2011.

Table 7-11
Northern California District
Customer Advances, 2007-2011
(in thousands of 2014 Dollars)¹⁰

2007	2008	2009	2010	2011
\$1,222	\$1,292	\$806	\$664	\$554

⁹ SWG Appl., Vol. 2-B, Ch. 17, at 28:16.

¹⁰ SWG Application, Ch. 17, Sheet 28.

1 Table 7-12 shows DRA's recommended Customer Advances and SWG's proposed.

2
3 **Table DRA 7-12**
4 **Northern California District**
5 **Customer Advances**
6 **(in thousands of 2014 Dollars)**
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Description (a)	DRA Recommended (b)	SWG Proposed (c)	Amount SWG > DRA (d=c-b)	Percentage SWG > DRA (e=d/b)
Customer Advances	\$674	\$237	-\$437	-64%

8
9 In this GRC, SWG provided a *Northern California and South Lake Tahoe*
10 *Jurisdiction Depreciation Study* dated December 31, 2011. DRA reviewed this Study
11 and found it consistent with Standard Practice U-4 and reflected reasonable
12 assumptions regarding average service lives, remaining lives, and net salvage.
13 Therefore, DRA does not take issue with the depreciation rates proposed by SWG
14 for TY 2014, which are lower than in SWG's prior rate case.
15

1 **SOUTH LAKE TAHOE DISTRICT**
2 **RATE BASE AND WORKING CAPITAL**

3 **I. INTRODUCTION**

4 This Chapter presents the Division of Ratepayer Advocates' (DRA) analyses
5 and recommendations regarding the Southwest Gas Corporation (SWG) South Lake
6 Tahoe District's (District) Rate Base and Working Capital for Test Year (TY) 2014.

7 Rate Base is the depreciated asset value of SWG's net investments used to
8 provide service to its customers. The major components of Rate Base are fixed
9 capital, adjustments, working cash, materials and supplies and customer advances.

10 Working Capital consists of inventories of materials and supplies, and an
11 allowance for working cash.

12 Customer Advances consists of cash deposit advances to the utility for
13 current and future service generally associated with facilities. Cash deposits are
14 returned to the customer after a period of time.

15 **II. SUMMARY OF RECOMMENDATIONS**

16 For the District's Rate Base in TY 2014, DRA recommends an amount of
17 \$24,976,000; SWG requests \$25,022,000.

Table 7-13
South Lake Tahoe California Division
Weighted Average Depreciation Rate Base for Tax Year 2014
(in Thousands of 2014 Dollars)

<u>Description</u> <u>(a)</u>	<u>DRA</u> <u>Recommended</u> <u>(b)</u>	<u>SWG</u> <u>Proposed****</u> <u>(c)</u>	<u>Amount</u> <u>SWG>DRA</u> <u>(d=c-b)</u>	<u>Percentage</u> <u>SWG>DRA</u> <u>(e=d/b)</u>
<u>Plant</u>				
Gas Plant In Service	\$ 40,792	\$ 40,792	\$ -	0.0%
System Allocable	\$ 1,979	\$ 1,979	\$ -	0.0%
<u>Total Plant</u>	\$ 42,771	\$ 42,771	\$ -	0.0%
			\$ -	
<u>Deductions</u>				
Deprec Reserve	\$ 13,999	\$ 13,999	\$ -	0.0%
Sys Alloc Depr Reserve	\$ 1,210	\$ 1,210	\$ -	0.0%
Customer Advances	\$ 26	\$ 0	\$ (25)	-99.6%
Deferred Taxes	\$ 5,094	\$ 5,094	\$ -	0.0%
Sys Alloc Def Taxes	\$ 199	\$ 199	\$ -	0.0%
<u>Total Other Deductions</u>	\$ 20,528	\$ 20,503	\$ (25)	-0.1%
			\$ -	
<u>Working Capital</u>				
Materials & Supplies	\$ 208	\$ 230	\$ 21	10%
Working Cash	\$ 2,525	\$ 2,524	\$ (1)	0%
<u>Total Working Capital</u>	\$ 2,734	\$ 2,754	\$ 20	1%
<u>Wtd. Avg. Rate Base</u>	\$ 24,976	\$ 25,022	\$ 46	

**** South Lake Tahoe Division Results of Operations, Volume II-C, Chapter 17 Sheet 18, 20 and 22 of 29.

For the District's Working Capital in TY 2014, DRA's recommends Federal Taxes Lead/Lag (FIT) of 82.65 lag days and California Corp. Franchise Tax (CCFT) of 37.58 lag days; SWG proposes 37.75 FIT lag days and 21 CCFT lag days.

For the District's Materials and Supplies (M&S) in TY 2014, DRA recommends an amount of \$208,000; SWG proposes \$230,000.

For the District's Customer Advances in TY 2014, DRA recommends an amount of \$26,000; SWG proposes \$0.

III. DISCUSSION / ANALYSIS

DRA's Rate Base Table 7-13 above shows DRA's recommended changes to the District's working capital, working cash, materials and supplies and customer advances. Each subject will be covered in the following chapter. Additional DRA recommendations shown in Table 7-13 are based on DRA Results of Operations (RO) model.

For the District's Rate Base in TY 2014, DRA recommends an amount of \$24,976,000; SWG proposes \$25,022,000.

For Working Cash Lead-Lag studies, Southwest Gas proposed a Federal Income Tax (FIT) of 37.75 lag days and California Corporate Franchise Tax (CCFT) of 21 lag days,¹¹ DRA recommends 82.65 FIT lag days and 37.58 CCFT lag days, which are described above on page 3. Table 7-14 shows DRA's recommended lead-lag days and SWG's proposed.

Table 7-14
South Lake Tahoe District
Working Cash Lead-Lag Studies

Description	DRA Recommended	SWG Proposed
Federal Taxes	82.65	37.75
State Taxes	37.58	21

For the District's materials and supplies in TY 2014, DRA recommends an amount of \$208,000; SWG proposes \$229,774.¹² SWG's forecast methodology uses

¹¹ SWG Appl., Vol. 2-A, Ch. 17, at 26: ll. 11 (CCFT) and 12 (FIT).

¹² SWG Appl., Vol. 2-C, Ch. 17, at 26:18.

a five-year average of past recorded M&S data. DRA instead recommends using a three-year average of past M&S data for the District's M&S forecast, because the M&S costs have been declining in recent years which render the three-year average more current, accurate, and reasonable than SWG's forecast. Table 7-15 below shows Material and Supplies recorded data.

Table 7-15
South Lake Tahoe California District
Materials and Supplies
Five Years Data 2007-2011
(in thousands of 2014 Dollars)

2007	2008	2009	2010	2011
\$291	\$233	\$203	\$159	\$262

Table 7-16 below shows DRA's Materials and Supplies recommendation and SWG's proposed amount.

Table 7-16
South Lake Tahoe District
Materials and Supplies
(in thousands of 2014 Dollars)

Description (a)	DRA Recommended (b)	SWG Proposed (c)	Amount SWG > DRA (d=c-b)	Percentage SWG > DRA (e=d/b)
Materials & Supplies	\$208	\$230	\$21	10.2%

For the District's Customer Advances in TY 2014, DRA recommends an amount of \$25,557; SWG forecasts "0." SWG's prediction of no Customer Advances in the District in TY 2014 is unsupported by the data. DRA's forecast is based on a three-year average (2009-2011) of past Customer Advances recorded data of \$28,029 in 2009, \$27,559 in 2010 and \$21,082 in 2011.

Table 7-17 below shows Customer Advances recorded data for the South Lake Tahoe District for 2007-2011.

Table 7-17
South Lake Tahoe District
Customer Advances, 2007-2011
(in thousands of 2014 Dollars)

2007	2008	2009	2010	2011
\$15	\$18	\$28	\$28	\$21

Source: SWG Application, Ch. 17, Sheet 27.

Table 7-18 below compares DRA's recommended and SWG's proposed customer advances.

Table 7-18
South Lake Tahoe District
Customer Advances
(in thousands of 2014 dollars)

Description (a)	DRA Recommended (b)	SWG Proposed <u>13</u> (c)	Amount SWG > DRA (d=c-b)	Percentage SWG > DRA (e=d/b)
Customer Advances	\$26	\$0	\$-26	-99.6%

1 **QUALIFICATIONS AND PREPARED TESTIMONY**
2 **OF**
3 **GALEN DUNHAM**

4 Q.1 Please state your name and address.

5 A.1 My name is Galen Dunham. My business address is 505 Van Ness Avenue,
6 San Francisco, California.

7 Q.2 By whom are you employed and in what capacity?

8 A.2 I am employed by the California Public Utilities Commission as a Public
9 Utilities Regulatory Analyst II in the Division of Ratepayer Advocates Energy
10 Cost of Service and Natural Gas Branch.

11 Q.3 Briefly describe your educational background and work experience.

12 A.3 I have a Bachelor of Arts Degree in Economics from San Francisco State
13 University in 1973. I also received a Bachelor of Arts Degree in Business
14 Administration from San Francisco State University in 1974.

15 I joined the Commission in 1977 and have examined the financial records of
16 various utilities under the jurisdiction of the Commission including gas,
17 electric, and water utilities.

18 I have had extensive work experience at the Commission with General Rate
19 Case proceedings, including Sierra, Pacific Power Co. 2005 GRC, PacifiCorp
20 2006 GRC, Bear Valley Electric Service GRC 2007, Santa Catalina GRC
21 2009, PG&E GRC 2009, PacifiCorp 2010 GRC, Southern California Edison
22 GRC 2012. I have participated in financial analysis of various utility's Rate
23 Base, including plant held for future use, customer advances, operation and
24 maintenance, prepayments, material and supplies, working capital, working
25 cash, depreciation, and tax lead/lag studies.

26 Q.4 What is your area of responsibility in this proceeding?

27 A.4 I am responsible for Exhibit DRA-07, Rate Base and Working Capital.

28 Q.5 Does that complete your prepared testimony?

29 A.5 Yes, it does.